

1 February 22, 2013

3 Ms. Sandra Paske

4 Commission Secretary

5 Wisconsin Public Service Commission

6 610 North Whitney Way

7 PO Box 7854

8 Madison, WI 53707-7854

10 RE: **A Petition to Open a Rulemaking Procedure to Consider Amending PSC 119 and PSC 113.10**
11 **related to distributed resources interconnection rules.**

12 Dear Ms. Paske,

13 Pursuant to Wis. Stat. § 227.12¹, RENEW Wisconsin (RENEW), hereby requests that a rulemaking
14 procedure be opened by the Commission to consider amending PSC 119 and as referenced, PSC 113.10,
15 related to distributed resources interconnection rules. RENEW requests this rulemaking as an
16 association representing over 150 companies, organizations, and individuals that include farms, labor,
17 businesses, and more than five persons. The attached list of companies, organizations, and individuals,
18 specifically has agreed to support this petition in name.

19 Pursuant to Wis. Admin. Code § PSC 2.07, RENEW requests that the Commission open a docket to
20 consider amending PSC 119 as described in the following petition².

21 **History:**

22 PSC 119 provides the rules for interconnecting distributed generation facilities with Wisconsin's electric
23 distribution grid. In 2002 RENEW led an advisory group that provided input for changes to the PSC 119
24 interconnection rules (Docket 1-AC-207 -Rules and Procedures for Interconnecting Customer-Owned
25 Generators to Electric Distribution Systems). This group, including RENEW, MREA, CUB, and MSB Energy
26 Associates, went through an analytical assessment that led to the streamlining of the previous 1982
27 interconnection rules. The results of the assessment informed the next phase that resulted in approval
28 of revised rules.

29 In 2004 final rules (developed by RENEW, a consortium of utilities, and other interested parties known
30 as the Wisconsin Distributed Resources Collaborative (WIDRC)³, were adopted. At that time, Wisconsin

¹ <http://docs.legis.wisconsin.gov/statutes/statutes/227.pdf>

² http://docs.legis.wisconsin.gov/code/admin_code/psc/2.pdf

³ The Wisconsin Distributed Resources Collaborative, Inc. (WIDRC) is a voluntary collaborative committed to facilitating and promoting the successful deployment of economic, efficient and environmentally responsible distributed resources in Wisconsin (<http://www.wisconsindr.org/>).

was one of the early states to update their interconnection standards and rules while ensuring safety and reducing the transaction cost of distributed power producers (currently defined in Wisconsin as 15 MW and less).

Since 2004 there has been significant national progress in developing similar rules that reduce time and cost for all involved parties, while maintaining the safety features of interconnected distributed resources. Significantly, rules were developed by the Federal Energy Regulatory Commission⁴ (FERC) to address PSC 119 type issues, but were adopted after the 2004 Wisconsin PSC 119 rules were amended. In addition, the Interstate Renewable Energy Council (IREC), a national renewable energy education organization, started to define national best practices for interconnection and issued state report cards from 2008 to 2012⁵. Wisconsin received grades of D from 2008 to 2011, and C – in 2012.

In 2011, the U.S. Department of Energy (DOE) released a Funding Opportunity Announcement (FOA), entitled the “Rooftop Solar Challenge” (Challenge). The Challenge called for local government teams to partner with relevant stakeholders to promote changes that improve market conditions for rooftop PV in major regions of the country. It focused specifically on grid-connected rooftop PV in the residential and commercial sectors, and emphasized streamlined and standardized permitting and interconnection processes.

In the fall of 2011 a Wisconsin team received a Rooftop Solar Challenge grant from the DOE, to evaluate how the cost of installing solar energy systems in Wisconsin could be reduced through streamlining various soft (non-hardware) costs, such as permitting, financial models, net metering, and interconnection. Governor Walker, WIDRC, MG&E, and We Energies all wrote letters of support for the Wisconsin team’s proposal to address reducing these soft costs.

The Wisconsin team, which includes RENEW, is called Grow Solar Wisconsin (GSW)⁶. Other GSW team members include: Midwest Renewable Energy Association (MREA), the City of Madison (MadiSUN program), the City of Milwaukee (Milwaukee Shines program), Marshfield Municipal Utilities, Sustainable Resources Group, and Madison Solar Consulting.

RENEW is the GSW lead for coordinating the evaluation and updating the current interconnection rules (PSC 119). The goal of the project is to evaluate whether changes in PSC 119 could reduce the soft costs of installing solar electric and other distributed resources to the grid without reducing safety. RENEW, stakeholders, and GSW team members proceeded with an in-depth analysis of the 2004 PSC 119 rules and compared those rules to national best practices, as defined by the most recent IREC assessment. Further support for the team was obtained from a National Renewable Energy Laboratory contractor⁷.

⁴ <http://www.ferc.gov/EventCalendar/Files/20050512110357-order2006.pdf>

⁵ <http://www.irecusa.org/2012/07/freeing-the-grid-2-0-award-winning-renewable-energy-policy-guide-goes-digital/>

⁶ <http://www.growsolar.org/>

⁷ [Recommendations for Wisconsin Net Metering and Interconnection, Keyes & Fox LLP](#), August 8, 2011. (hereafter referred to as the “Keyes & Fox Report”)

This analysis is now complete. RENEW, on behalf of its members, the GSW team, and others, who participated in the evaluation or support this petition to update the PSC Interconnection Standards, recommends the attached 10 recommendations be used in a process to amend PSC 119 and by reference, PSC 113.10.

RENEW is qualified to file this petition on behalf of its members and those listed due to:

- the mission of RENEW: to lead and represent businesses, organizations, and individuals that seek more clean, renewable energy in Wisconsin;
- as leader of the Interconnection assessment project funded by the US Department of Energy's SunShot program;
- demonstrated experience in previous PSC dockets as listed below:

Docket Number	Docket Name	Year of Proceeding
05-UR-106	WEPCO Rate Case	2012
6690-UR-121	PSC Rate Case	2012
4220-UR-117	Xcel-NSPW Rate Case	2011
6630-CE-305	Rothschild Biomass Energy Center	2010-2011
6690-UR-120	WPS Rate Case	2010
1-AC-231	Wind Siting Rule	2010
3270-UR-117	MGE Rate Case	2010
6630-CE-302	Glacier Hills Wind Farm	2009-2010
4220-CE-169	Bay Front 5	2009
5-EI-148	Advanced Renewable Tariffs	2009
6680-CE-170	Nelson Dewey 3	2008
6690-UR-119	WI Pub. Service Rate Case	2008
05-UR-103	We Energies Rate Case	2007
6680-CE-171	Cedar Ridge Wind Farm	2006-2007
6630-CE-294	Blue Sky Green Field Wind Farm	2006
9300-CE-100	Forward Energy Center Wind Farm	2005

Process Used:

RENEW, the GSW team, and other stakeholders assessed PSC 119 in the following ways:

- In March of 2012, an interconnection survey was distributed to all large investor owned utilities and utility associations, to a number of Wisconsin distributed resources list serves, and to members of WIDRC. The survey described 14 specific changes recommended in the Keyes & Fox Report (partly based on their expertise as part of IREC's interconnection team and their

work developing Freeing the Grid on behalf of IREC⁸). In addition, two other PSC 119 interconnection issues were identified by Wisconsin stakeholders.

- Eighteen companies involved with distributed generation installations responded and provided input and supported the need to consider changing the PSC 119 rules⁹.
- Starting in June 2012, RENEW formed a stakeholder workgroup to identify the most important areas that needed changes. This interconnection work group met each month, ending in November 2012, for a total of six meetings.

Reasons for changes now:

- In 2006, FERC amended its regulations under the Federal Power Act to require public utilities that own, control, or operate facilities for transmitting electric energy in interstate commerce to amend their open access transmission tariffs to include standard generator interconnection procedures [*Docket No. RM02-12-000; Order No. 2006*].¹⁰ An agreement was adopted to provide interconnection service to devices used for the production of electricity having a capacity of no more than 20 megawatts. The Order concluded that providing general consistency between the FERC rules (encapsulated in the Small Generator Interconnection Procedures (SGIP) adopted in the Order), and those of the states will be helpful in removing roadblocks to the interconnection of Small Generating Facilities. To a large extent, the SGIP harmonizes state and federal practices by adopting many of the interconnection best practices recommended by the National Association of Regulatory Utility Commissioners (NARUC). By doing so, it hoped to minimize the federal-state division and promote more consistent, nationwide interconnection rules.¹¹
- Since the FERC SGIP was developed after Wisconsin's PSC 119 was last amended in 2004, there have been many advances in interconnection technologies that need to be considered to streamline PSC 119.
- The Keyes and Fox report describes Interconnection as one of the four pillars of effective cost-effective solar policy. It makes up the fundamental architecture of successful distributed generation policy.

In summary:

The attached 10 recommended changes to PSC 119 are a combined product of the FERC Order, the Keyes and Fox analysis, the interconnection survey results, and the interconnection workgroup assessment using insights from installers own experiences. All of these resources and proceedings were

⁸ <http://www.newenergychoices.org/uploads/FreeingTheGrid2011.pdf>

⁹ [Wisconsin Small Distributed Renewable Energy System Interconnection Rules and Processes Survey Results](#)

¹⁰ FERC Order 2006 is available at <http://www.ferc.gov/EventCalendar/Files/20050512110357-order2006.pdf>

¹¹ See Order 2006 at 131-132.

113 advertised to a wide audience of Wisconsin interconnection stakeholders, including all of Wisconsin's
114 distribution utilities and/or their associations.

115

116 Therefore, pursuant to Wis. Stat. § 227.12 and Wis. Admin. Code § PSC 2.07, RENEW Wisconsin
117 (RENEW), hereby requests that a rulemaking procedure and docket be opened by the Commission to
118 consider amending PSC 119 and as referenced, PSC 113.10, related to distributed resources
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